Brownfields Bulletin
Breaking Down Barriers to Using Brownfields
3rd Quarter 2004, Issue 25

# Start Planning Now for U.S. EPA Funding Opportunities

The annual application process for brownfields redevelopment grant funding from the U.S. Environmental Protection Agency will soon be underway again. The Brownfields Revitalization Act that was signed into law in January 2002 authorized up to $250 million in funds annually for brownfields assessment grants, cleanup grants, and revolving loan fund grants for a period of five years. Each fall in the Federal Register and online at *www.epa.gov/brownfields*, the U.S. EPA publishes guidelines describing the application process and grant eligibility requirements.

At the time that this publication went to print, Fiscal Year (FY) 2005 guidelines had not yet been released. So please check the U.S. EPA Web site for the most up-to-date information. In the meantime, based on the grant procedures that were in place for FY2004, here is some general information to get you started.

**Eligibility**

State, tribal, and local governments are eligible for all three types of grants: assessment, cleanup, and revolving loan funds. Quasi-governmental entities (e.g., regional councils and redevelopment authorities) can apply for all three types of grants as well. However, nonprofit organizations, as defined by the Federal Financial Assistance Management Improvement Act of 1999*, can be considered for cleanup grants only.

Coalitions (groups of eligible entities) may also apply for funding with one application under the name of one of the coalition participants. Once awarded, the grant recipient would administer the grant and be accountable for the expenditure of the funds.

To be eligible for funding, sites to be addressed by the grants must meet the federal definition of a brownfield. For the purpose of these grants, brownfields are defined as "…real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant."

Included in this definition are sites contaminated by petroleum or a petroleum product, sites contaminated by controlled substances, and mine-scarred lands.

To be eligible, a petroleum-contaminated site must be of "relatively low risk" compared with other petroleum-contaminated sites in the state and must not be subject to a Resource Conservation and Recovery Act (RCRA) 9003(h) order. In addition, the state or U.S. EPA must determine that there are no viable responsible parties for the site and that the site will be assessed, investigated, or cleaned up by a person that is not potentially liable for cleaning up the site.

Three types of properties are excluded from the definition of brownfields: National Priorities List (NPL) sites; Comprehensive Environmental

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*Section 4(6) of the Federal Financial Assistance Management Improvement Act of 1999, Public Law 106-107. 31 USC 6101, Note. Nonprofit organization is defined as, "any corporation, trust, association, cooperative, or other organization that:
(A)is operated primarily for scientific, education, service, charitable, or similar purposes in the public interest;
(B)is not organized primarily for profit; and
(C)uses net proceeds to maintain, improve, or expand the operations of the organization.

## New Electronic *Brownfields Bulletin* Coming Soon!

This is the last issue of the *Brownfields Bulletin* that will be published on paper. The next issue will be produced electronically and will be distributed via e-mail. To subscribe to the bulletin e-mail listserv, please visit *www.brownfields.IN.gov*. If you have any questions about the listserv or do not have access to the Internet, please contact Dan Chesterson of the Brownfields Program. (Contact information can be found on the back page.)

## U.S. EPA Funding Opportunities
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Response, Compensation, and Liability Act (CERCLA) sites; and federally-owned facilities.

There are additional categories of sites that need property-specific determinations by U.S. EPA for eligibility. Those include RCRA-permitted sites, Superfund removal sites, Leaking Underground Storage Tank trust fund sites, and sites with permits under other environmental statutes.

**Assessment Grants**

Assessment grants are available to governmental entities to inventory, characterize, assess, and conduct planning for eligible brownfield sites. An eligible applicant may apply for up to $200,000 for a site contaminated by hazardous substances, pollutants, or contaminants (including hazardous substances co-mingled with petroleum) and up to $200,000 to address sites contaminated by petroleum. A waiver of the $200,000 limit may be requested, with a maximum of $350,000. The performance period for an assessment grant is two years.

**Cleanup Grants**

Cleanup grants are available to governmental entities and nonprofit entities for the cleanup (can include assessment and demolition) of sites that they own at the time of the award. The grants can be up to $200,000 per site over a performance period of two years. Applicants must provide a 20% cost share. To be eligible for a cleanup grant, a minimum of a Phase I environmental site assessment is required to have been completed for the site.

**Revolving Loan Fund Grants**

Up to $1,000,000 over five years is available to capitalize a revolving loan fund (RLF) and to provide sub-grants for the cleanup of brownfield sites. All applicants are required to provide a 20% cost share. If a coalition is applying for an RLF Grant, then it may apply for up to $1,000,000 per eligible entity.

**Other Information**

- A portion of any of the three types of grant funding may be used to purchase environmental insurance.
- Applicants are required to notify their communities about the preparation and submission of the grant proposal(s) and provide an opportunity for public comment about the proposal(s).
- Each applicant is required to obtain a letter from the state environmental authority (IDEM) acknowledging the applicant's planned activities and include that letter in their grant proposal. Requests to IDEM for these letters should be submitted to IDEM no later than one month before the U.S. EPA grant proposal deadline. Please contact Gabriele Hauer of IDEM's Brownfields Program for more information about these letters of support.
- Two U.S. EPA help sessions are tentatively scheduled for October 19-22 in Chicago, Illinois. The first session will discuss how to prepare proposals for U.S. EPA's Brownfield grants. The second session will review the various aspects of local administration of these grants.

For more information about the grant application process or the help sessions, please visit *www.epa.gov/brownfields* or contact Deborah Orr, Region 5, at *orr.deborah@epamail.epa.gov* or at 312-886-7576.

In Brief

## March SAGI Phase II Grant Round Awards

In March and April, the following six communities (five small and one large) were awarded Indiana Brownfield Site Assessment Grant Incentive (SAGI) grants available through the Environmental Remediation Revolving Loan Fund (ERRLF, or Brownfields Fund). This grant round was for Phase II site assessment activities only.

The total amount of grant funding requested was $243,982. The small communities (population < 22,000) were awarded a total of $149,928; and the large communities (population > 22, 000) were awarded a total of $20,717; with a grand total of $170,645 awarded for this grant round. The decision to award grant funding was a cooperative effort by the Indiana Development Finance Authority (IDFA) and IDEM. For more information about SAGI and the application process, please visit *www.idfabrownfields.com*.

The following is a list of communities and sites with their respective grant award amounts, many of which are supplemental grants or for Phase II work following the November 2003 Phase I grant awards:

| | |
|---|---|
| **Town of Plainfield** (White Lick Creek/Hummel Park Target Range) | $30,930 |
| **City of Rushville** (Starkey Building / CVS site) | $33,568 |
| **Town of Salem** (Visual Arts Building and adjacent abandoned parking lot) | $14,580 |
| **City of Wabash** (Bront and Mafcote sites) | $43,670 |
| **City of Winamac** (LaurDi Property) | $25,550 |
| **City of Marion** (Former Indiana Copper Corp.) | $20,717 |
| **TOTAL** | **$170,645** |

# IDFA Makes Additional Enhancements to the Site Assessment Grant Incentive

In April, the Indiana Development Finance Authority (IDFA) Board of Directors approved changes to the Site Assessment Grant Incentive (SAGI) Guidelines. SAGI grants are available quarterly to cities, towns, and counties to perform environmental investigation activities at selected brownfield sites.

Last year, IDFA increased the annual number of funding rounds from two to four and the total annual amount available from $500,000 to $1,000,000. As part of these changes, IDFA designated two rounds as specific Phase I rounds and two rounds as Phase II rounds. Following strong feedback from brownfield stakeholders requesting additional flexibility with regards to SAGI funding, IDFA removed the Phase I and Phase II round designation and is instead allowing an applicant the opportunity to receive funding for Phase I or Phase II environmental assessment activities in every round. Round deadlines remain the same and are the first day of March, May, August, and November.

Although a community can now apply for either Phase I or Phase II funding each round, grants will not be awarded to perform both on the same site during the same round. However, a community may apply for Phase I and Phase II funding during the same round for different sites. The maximum Phase I grant award is $7,500, and the maximum Phase II award is $50,000 per community per round. Applications are web-based.

For comprehensive information on all of IDFA's brownfield financial incentives, visit IDFA's Web page at *www.idfabrownfields.com*.

## Mark Your Calendars!

- **Brownfield Redevelopment: Nuts & Bolts for Local Government**
  July 19-23 Chicago, IL
  *www.hud.gov/local/il/working/environtrain04sched.cfm*
- **SAGI Grant Round Deadline**
  August 1 (Phase I or Phase II)
  *www.idfabrownfields.com*
- **Brownfield Redevelopment: Turning Eyesores into Opportunities**
  Indiana Association of Cities and Towns
  August 24 - Bloomington, IN
  August 26 - Merrillville, IN
  *www.citiesandtowns.org*
- **National Brownfields Conference 2004**
  September 20-22 St. Louis, MO
  *www.brownfields2004.org*
- **Indiana Land Use Consortium: Communities at the Crossroads Conference**
  October 13-15 Indianapolis, IN
  *www.indianalanduse.org/*

**Q: What are Environmental Restrictive Covenants, and how does IDEM use them?**

**A:** An Environmental Restrictive Covenant (ERC) is the main institutional control used at IDEM. IDEM's Risk Integrated System of Closure (RISC) guidance defines an institutional control as a non-engineered, administratively and legally enforceable measure that limits human exposure to environmental chemicals of concern.

There are four categories of institutional controls; proprietary controls (legal instruments placed on the chain of title); governmental controls (zoning restrictions, ordinances, etc.); enforcement tools (limit certain site activities through permit tools); and informational devices (state registries of contaminated properties, deed restrictions etc.)

An ERC is a proprietary control and is developed on a site-by-site basis. It is recorded with the county where the brownfield is located to provide appropriate use restrictions for the property. Any community or property owner that is considering an institutional control such as an ERC should discuss this option with the IDEM project manager assigned to the site. Discussions should take into consideration the current and future use of the site and the best method to eliminate exposure pathways for harm to human health and the environment. An example of a restriction that may be found in an ERC is a prohibition on the use of ground water at a site with contaminant levels above residential cleanup levels.

For more information about ERCs, please contact Tom Baker of IDEM.

# GIS and Brownfields Redevelopment

A Geographic Information System (GIS) is a resource that allows spatially related data to be visualized in an easy-to-understand manner. It consists of computer software that can be used to map and analyze a wide variety of information in a database that can be accessed by many different parties.

Its use is widespread across many different arenas, including commercial, planning, and academia, and it is an excellent tool for brownfields redevelopment. GIS uses and combines layers of information about a place to give users a better understanding of that place. The specific combination of layers of information used depends on the intended purpose — finding the best location for a new development, analyzing environmental damage, and viewing similar crimes in a city to detect a pattern are just some of the possible examples.

## Use of GIS

One practical way in which GIS is used in the environmental arena is to map locations of various sample points taken during an environmental investigation. Global Positioning System (GPS) units can be used in the field to record a particular location in the form of latitudinal and longitudinal coordinates.

Collecting these points with GPS units is only the first step of the process. The next step is uploading the location information into a computer. Once that is completed, the points gathered can be mapped using one of the many different kinds of GIS software. The sample points collected can then be laid over other useful information, such as an aerial photograph or topographic map, to enhance the visual utility of the final GIS-generated map.

Besides simply providing a means to easily create an accurate and useful map, GIS can also be a very useful tool for analyzing how different types of data with different variables are spatially related to each other. A simplified example of this would be to use sample point data and GIS to selectively show only those sample points at which a particular regulatory level was exceeded for a particular contaminant.

Some examples of the types of environmental layers that can be viewed and utilized in GIS

- surface water bodies
- topography of a land mass
- drainage
- groundwater flow direction
- contaminated sites
- water wells
- wetlands
- fate and transport of contaminants
- flood plains

In addition to environmental layers that may be utilized in GIS, there are other layers of information that may be used for assessing economic issues in a particular geographic location. These layers can include information about infrastructure, transportation, zoning/land use, tax status, property ownership, property value, location, and other real estate issues.

## Brownfields Redevelopment

Because of the vast array of uses for GIS, it can play a key role in brownfields redevelopment. It can be utilized to help interested parties, such as municipalities, develop a tool that can be used in many facets of planning, from a starting point of brownfields site inventory through redevelopment. This allows planning organizations to develop a resource that can be used by communities to formulate brownfields development plans and possibly prevent the creation of new brownfield sites.

Municipalities involved in redeveloping brownfields are often interested in obtaining comprehensive information about the number of brownfields within their particular community. In addition to knowing the number of brownfield sites, having detailed information about each particular site can be very useful. This detailed site information may include the former use(s) of a site, the size of a site, apparent condition of any existing structures remaining on a site, and any parties that may be interested in a site. Because of the large amount of information that can be tied to a particular location, many municipalities have found GIS to be a beneficial addition to their pool of resources.

According to Professor Donald Bren, University of California in Santa Barbara, GIS also provides an information baseline for other

analyses. GIS can be used to develop and demonstrate a site suitability methodology, which uses relevant parcel characteristics to identify appropriate redevelopment options.

The methodology consists of seven steps, which identify, value, integrate, and rank parcel-level criteria. The resulting suitability index of potential land uses for the parcels of interest is then integrated with additional considerations to deliver prioritization of land uses. This framework is designed to be easily extended and made available for use in other redevelopment projects. This is most often the type of analysis performed with GIS by municipalities seeking potential areas of redevelopment.

Once a municipality or community has identified and inventoried the brownfields in its particular area of interest and has a comprehensive database of the different kinds of information about each site (former use, size, existing structures, etc.), it can use this information to design a marketing approach for each site that is targeted for a particular potential buyer or developer.

For example, manufacturing operations may be more suitable for properties containing certain types of existing structures in particular areas of a community or in close proximity to existing infrastructure, such as roads, highways, etc. GIS allows the user to analyze such information by overlaying maps, such as roadways and railroad lines, to determine how far a site may be from particular features. In all of these ways, municipalities can now utilize GIS to identify and address assets and barriers to redevelopment.

**GIS in the Private Sector**

GIS is used extensively in the private sector as well as in the public sector. Private corporations look at much of the same information that municipalities look at when determining the optimal location for a business. GIS can help a business owner find out where economic development zones are located within a community, as well as what environmental regulations may affect a site.

Business owners may also ask additional questions about the citizens of a particular area to help them determine whether a community is an appropriate location for their business. One question they may examine is where potential employees for their business would be located. GIS can assist in the identification of residential areas and the educational level of citizens in those areas. Other helpful information would be the location of schools and housing near a potential business location. This demographic information can assist a business in the prioritization of potential sites. GIS can be used to map and analyze all of this information, primarily from databases known as TIGER Files (topologically integrated geographic encoding and referencing files) that are provided by the United States Census Bureau.

GIS is a powerful planning tool that can be utilized by both the private and public sectors to aid in the identification and analysis of brownfield sites for redevelopment. Beyond the initial stage of taking inventory of existing brownfields within a community and plotting their locations, GIS is being widely used by municipalities to analyze many additional aspects of brownfields redevelopment. Like most other types of computer-based software programs, GIS software is constantly changing to provide more innovative and improved methods for mapping and analyzing spatially related information. For more information on GIS, visit the Web page for the Indiana GIS Initiative located at *www.in.gov/ingisi/*.

## Grant Funding for Orthophotography

The State Emergency Management Agency Homeland Security Division created the Indiana 2004 State and Local Homeland Security Grant, which has set aside funding for counties to participate in a statewide orthophotography program in 2005.

An orthophotograph is an aerial photograph in which visual distortions from topography and camera angles have been removed so that accurate distances between objects can be measured on the photograph itself. Digital orthophotography is utilized as a base map by GIS users when analyzing information on homeland security, such as emergency response planning, law enforcement, and public health. It may also be used in other applications, including economic development and the environment.

The orthophotography program will be designed to provide a current statewide base map at reduced costs over county-by-county data collection. Each county will receive a set aside grant to purchase updated orthophotography that meet a consistent statewide standard. To use the funding, counties can participate in a statewide memorandum of understanding (MOU) for the orthophotography program. Counties may be able to leverage this grant with their own funding for additional products. For more information on this grant, visit *www.in.gov/ingisi*.

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# Brownfields Bulletin

**Brownfields Bulletin** is published quarterly by the Indiana Department of Environmental Management (IDEM) to inform stakeholders, such as local government officials, business representatives, and interest groups about brownfields redevelopment initiatives and success stories from within and beyond the state. A brownfield site is a property that is abandoned, inactive, or underutilized due to actual or potential environmental contamination. IDEM's overall mission is to make Indiana a cleaner, healthier place to live. IDEM's brownfields initiative helps communities overcome barriers for sustainable growth.

Please contact Dan Chesterson of the IDEM Brownfields Program to inform IDEM of address changes, to be added or deleted from the mailing list or e-mail list serve, or to share your comments and ideas about this publication.

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